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**BY HAND DELIVERY**

K. David Waddell, Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243

Re: BLT Technologies, Inc., Touch 1 Long Distance, Inc., MCI WorldCom  
Communications, Inc. for Authority to Reorganize and for Related Transactions  
Docket No. 00-01018

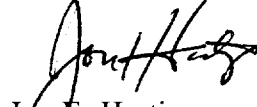
Dear Mr. Waddell:

Enclosed for filing in your office please find the original plus thirteen copies of the Application filed on behalf of BLT Technologies, Inc., Touch 1 Long Distance, Inc., and MCI WorldCom Communications, Inc. Also enclosed is our check in the amount of \$25.00.

Should you have questions, please give me a call.

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

  
Jon E. Hastings

JEH/sja

BEFORE THE  
TENNESSEE REGULATORY AUTHORITY

BLT Technologies, Inc.	)
Touch 1 Long Distance, Inc.	)
MCI WorldCom Communications, Inc.	)
For Authority to Reorganize	)
And for Related Transactions	)

Docket No. 00-01018

## APPLICATION

BLT Technologies, Inc. (“BLT”), MCI WorldCom Communications, Inc. (“MCI WorldCom Communications”), and Touch 1 Long Distance, Inc. (“Touch 1”) (collectively “Applicants”), through undersigned counsel, and pursuant to T.C.A. §65-4-112 respectfully request authority from the Tennessee Regulatory Authority (the “TRA”), to the extent it is required, to consolidate the operations of three related carriers into a single entity by reorganizing the Applicants’ corporate structure and completing a series of internal transactions related thereto. In the alternative, Applicants request that the TRA find that no approval is required for these internal transactions. As described below, the Applicants specifically request authority to:

1. Merge BLT with and into MCI WorldCom Communications (MCI WorldCom Communications will be the surviving entity). After the merger, BLT will no longer exist as a legal entity. Because BLT will no longer exist, Applicants also seek to cancel BLT's operating authority.
2. Transfer all of BLT's assets related to its regulated operations in Tennessee to MCI WorldCom Communications.

3. Merge Touch 1 with and into MCI WorldCom Communications (MCI WorldCom Communications will be the surviving entity). After the merger, Touch 1 will no longer exist as a legal entity. Because Touch 1 will no longer exist, Applicants also seek to cancel Touch 1's operating authority.

4. Transfer all of Touch 1's assets related to its regulated operations in Tennessee to MCI WorldCom Communications.

The principal result of the proposed internal restructuring will be that MCI WorldCom Communications will provide intrastate interexchange service and prepaid card services to its existing customers and customers formerly served by BLT and Touch 1.

In support of their application, the Applicants provide the following information:

#### **I. THE APPLICANTS**

The Applicants are all operating subsidiaries of WorldCom Inc., a publicly traded Georgia corporation. WorldCom's principal offices are located at 500 Clinton Center Drive, Clinton, Mississippi 39056. Collectively, WorldCom's operating subsidiaries are authorized to provide telecommunication services in 50 states, including Tennessee.

MCI WorldCom Communications is a Delaware corporation providing interexchange service, and in many states local service, to end-users.

BLT is a Washington corporation. BLT operates primarily as a provider of prepaid calling cards in 49 states.

Touch 1 is an Alabama corporation and operates as a reseller of interexchange services in 47 states.

The organizational chart attached hereto as Exhibit A depicts the current organizational structure of the entities affected by the restructuring.

## **II. DESIGNATED CONTACTS**

The designated contacts for purposes of this Application are:

Jon E. Hastings  
Boult, Cummings, Conners & Berry PLC  
414 Union Street, Suite 1600  
Nashville, Tennessee 37219  
(615)252-2306

Susan Berlin  
MCI WorldCom  
Corporate Center Six  
Six Concourse Parkway, Suite 2800  
Atlanta, Georgia 30328  
770-284-5491

Copies of all correspondence, notices, inquiries and orders should be sent to:

Leigh Ann Cox  
WorldCom, Inc.  
Manager, State Policy  
500 Clinton Center Drive  
Building Three, 3<sup>rd</sup> Floor  
Clinton, MS 39056

## **III. REQUEST FOR APPROVAL OF INTERNAL REORGANIZATION AND TRANSFER OF ASSETS**

WorldCom's growth has been fueled by the acquisition of over 100 companies. This circumstance has created a complicated web of intercorporate relationships, and a confusing patchwork of regulatory authority. The resulting complexity has made administration unnecessarily burdensome for both WorldCom and the regulatory agencies that regulate WorldCom. From time to time, WorldCom has consolidated various operating subsidiaries to reduce these burdens. By consolidating operations of the Applicants, WorldCom hopes to simplify its managerial tasks, decrease potential customer confusion and lessen the burden on regulators. The reorganizations will allow WorldCom to operate more efficiently and effectively by eliminating a number of redundant administrative functions. In addition, merging Touch 1 into

MCI WorldCom Communications will provide Touch 1's customers access to calling plans unavailable through Touch 1.

The proposed reorganization will include the merger of BLT with and into MCI WorldCom Communications (illustrated at Exhibit B). After the merger, BLT will cease to exist and MCI WorldCom Communications will assume BLT's operations and will provide prepaid card service in support of BLT's existing customers. BLT's certificates would then be cancelled.

The proposed reorganization also involves the transfer of customers and assets from Touch 1 to MCI WorldCom Communications (illustrated at Exhibit C). After the merger, MCI WorldCom Communications will assume Touch 1's operations and will provide telecommunication services to Touch 1's customers. Touch 1 will cease to exist and its certificate would then be cancelled.

The proposed reorganizations will have no material adverse impact on consumers in Tennessee. Interexchange service and prepaid calling card services will continue to be provided over the same reliable transmission facilities and infrastructure MCI WorldCom Communications is currently using, and customer service will continue to be provided by the same teams of qualified consumer representatives. Touch 1 customers will be given appropriate, actual notice of the change in the name of their telecommunications service provider, enabling such customers to choose another carrier rather than MCI WorldCom Communications. Residential customers using Touch 1 toll free services will be issued new numbers and personal identification numbers in order to ensure a smooth transition and uninterrupted toll free services.

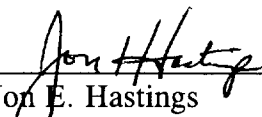
To reflect changes as the result of the reorganizations, MCI WorldCom Communications will file revisions to: 1) incorporate BLT's prepaid services, without change; and 2) introduce

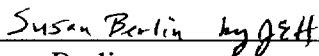
calling plans applicable to Touch 1's customers, at rates equal to or better than existing Touch 1 rates applicable to these customers. Exhibit D attached hereto depicts the proposed structure of the affected entities following the reorganization. As with the reorganization, these tariff revisions will have no material adverse impact on consumers. Rather, they will align the tariffs with the appropriate entity providing service. Upon approval of the revised MCI WorldCom Communications' tariff, BLT and Touch 1 will withdraw their existing tariffs and will cease to offer service to consumers in Tennessee.

WHEREFORE, to the extent required, Applicants respectfully request that the TRA authorize the internal reorganizations summarized above and that the TRA grant any and all authority required to accomplish this reorganization. In the alternative, Applicants request that the TRA find that no approval is required for these internal transactions.

Dated: 11/2/00

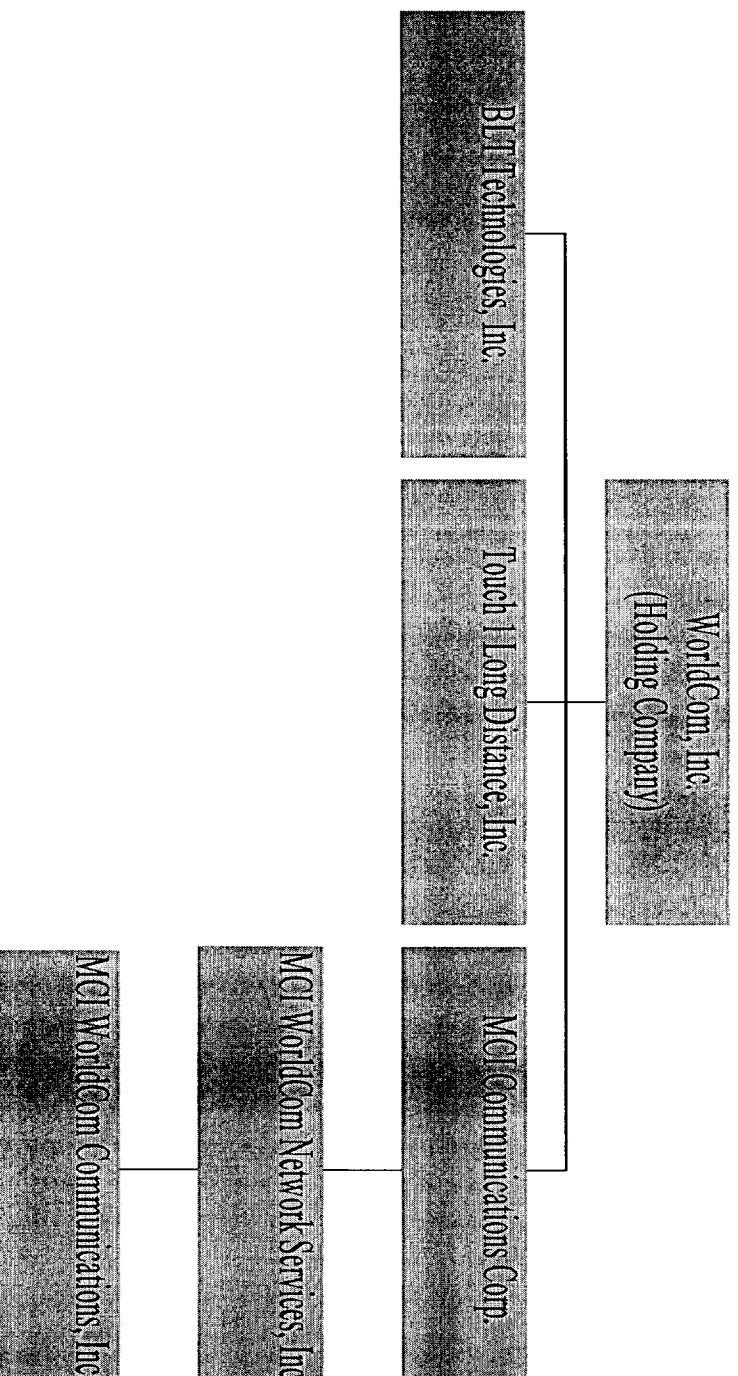
Respectfully submitted,

  
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Jon E. Hastings  
Bout, Cummings, Conners & Berry, PLC  
414 Union Street, Suite 1600  
Nashville, Tennessee 37219  
(615)252-2306

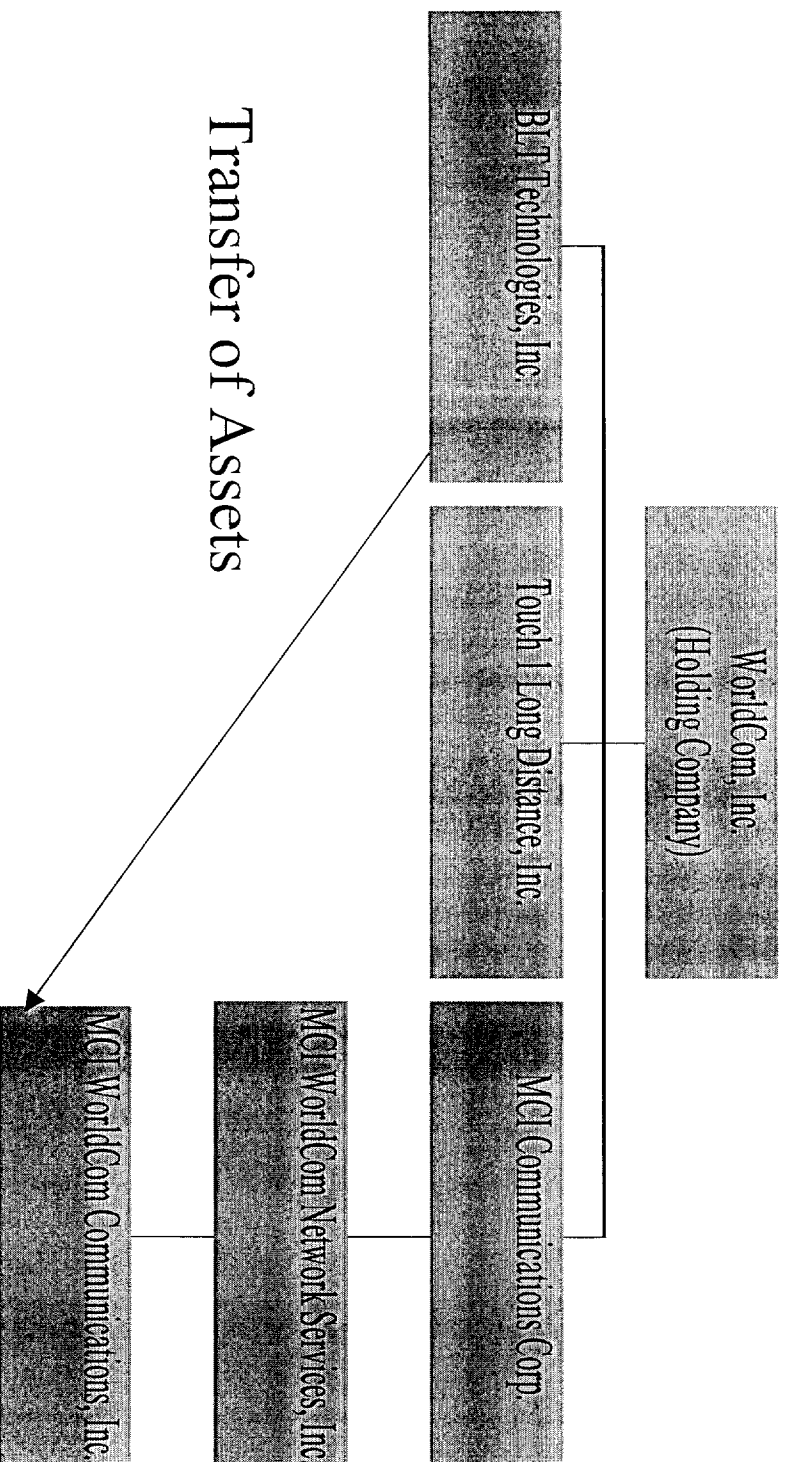
  
\_\_\_\_\_  
Susan Berlin  
MCI WorldCom  
Corporate Center Six  
Six Concourse Parkway, Suite 2800  
Nashville, Tennessee 30328  
(770)284-5491

# Exhibit A

## Pre-Reorganization



# Exhibit B

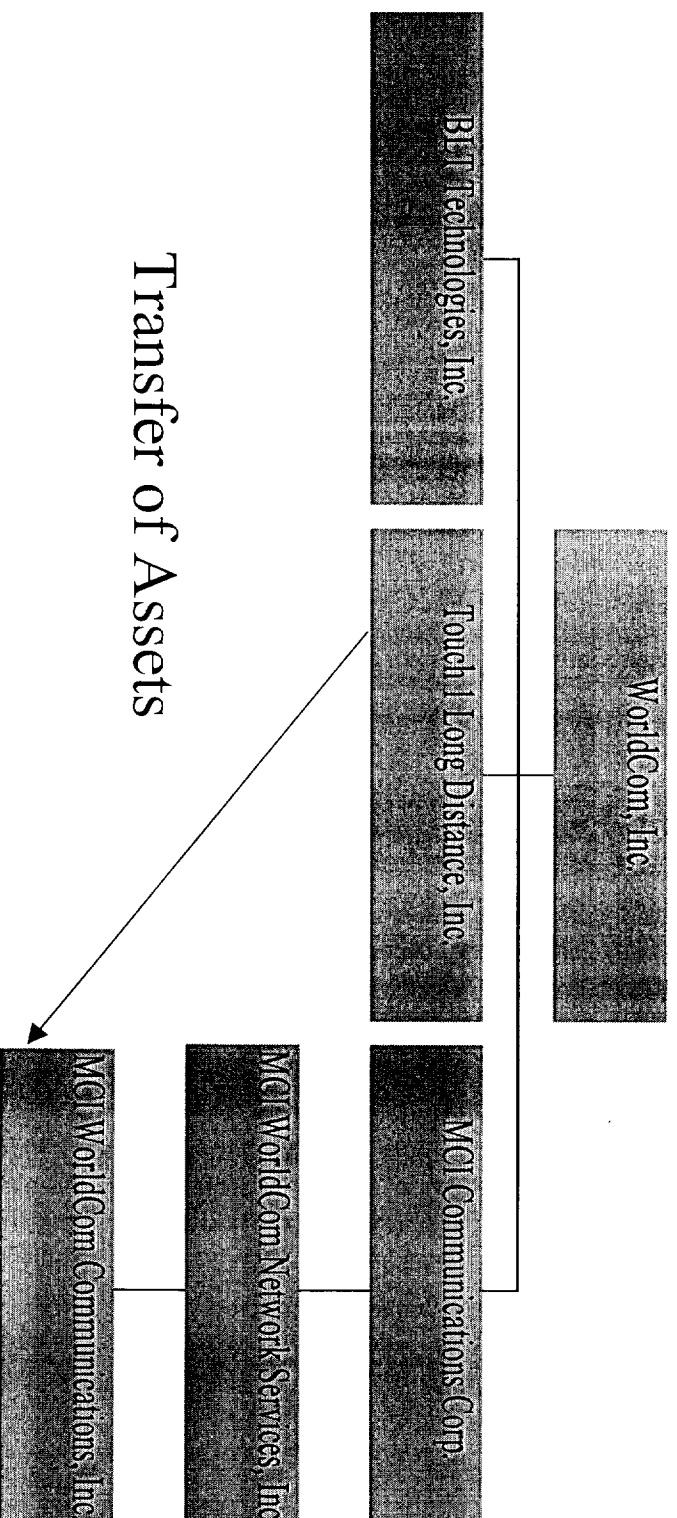


Transfer of Assets

April 12, 2000



# Exhibit C

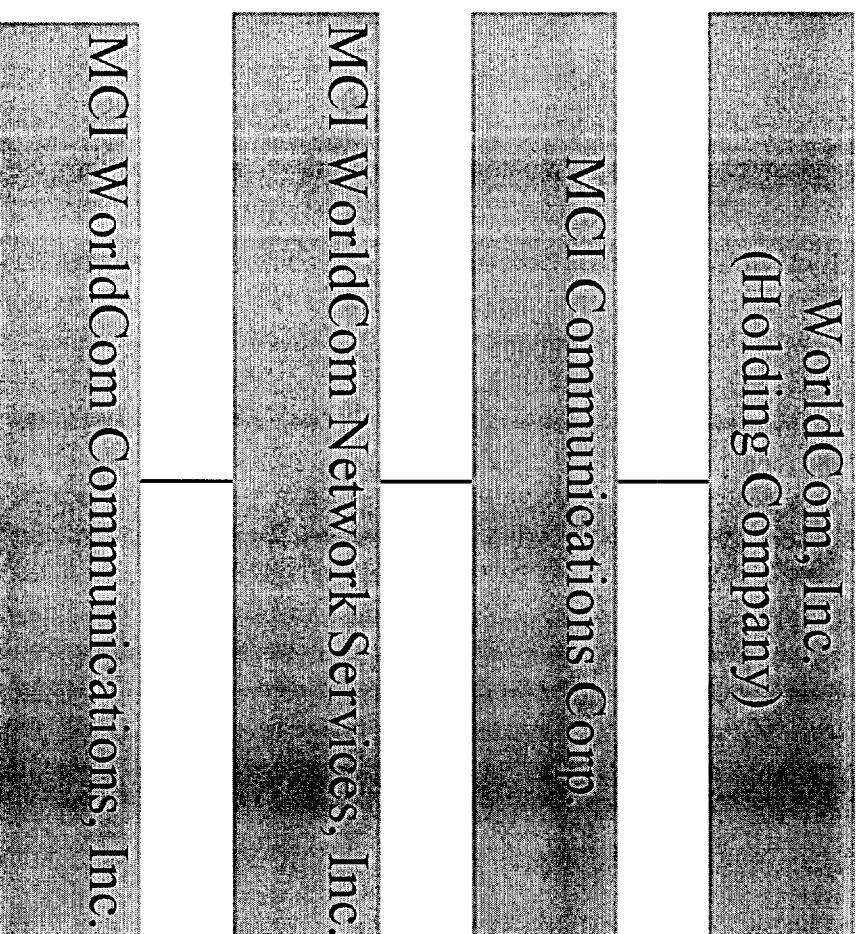


Transfer of Assets

April 12, 2000

# Exhibit D

## Post-Reorganization



April 12, 2000